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China - Peoples Republic of

Oilseeds and Products Update

China's Strong Demand for Oilseeds Continues to Drive Record Soybean Imports

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Report Highlights:

Reductions in government support to corn production encouraged Chinese farmers to plant more oilseeds, primarily soybeans. Hence, Post's forecast MY17/18 for Chinese soybean production stands at 14.1 million metric tons (MMT) or a net growth of 1 MMT. This is based on acreage increase of 9.1 percent from the previous year. However, China's rising demand for oilseeds continues to far exceed the growth in domestic oilseed production. Chinese oilseed imports are expected to grow to another forecast record of 91.5 (MMT) in MY17/18, up 3 MMT compared to the previous year estimate. Forecast steady economic growth at about 6.7 percent in 2017, and the continuous modernization of China's domestic feed and livestock sectors are boosting consumption of oilseed products. Soybean meal use is partially up driven by a significant fall in imports of distiller's dried grains (DDGS) imports since January 2017.

Executive Summary:

Reductions in government support to corn production encouraged Chinese farmers to plant more oilseeds, primarily soybeans. Hence, Post's forecast MY17/18 for Chinese soybean production stands at 14.1 million metric tons (MMT) or a net growth of 1 MMT. This is based on acreage increase of 9.1 percent from the previous year. However, China's rising demand for oilseeds continues to far exceed the growth in domestic oilseed production. Chinese oilseed imports are expected to grow to another forecast record of 91.5 (MMT) in MY17/18, up 3 MMT compared to the previous year estimate. Forecast steady economic growth at about 6.7 percent in 2017, and the continuous modernization of China's domestic feed and livestock sectors are boosting consumption of oilseed products. Adequate global supply of oilseeds encouraged Chinese importers to buy more soybeans with total soybeans imports estimated at 88.5 MMT in MY16/17, up by over 5 MMT compared to the previous year. In addition, soybean meal use is partially up driven by a significant fall in DDGS imports as a result of China's high anti-dumping duty imposed on U.S. imports since January 2017. Despite increases to soybean acreage, significant increase in total oilseed acreage and production is unlikely given China's limited arable land and continuously low productivity.

It is important to note that forecasting China's meal and oil use, and total oilseed demand remains a challenge due to difficulties in collecting data mainly due to massive players in each part of the oilseed industry chain. This is particularly true with data pertaining to rapeseed and peanut area and production; soybean use as food or feed; feed and livestock production; and the unknown volume of soybean and vegetable oils reserves.

Soybeans

Production

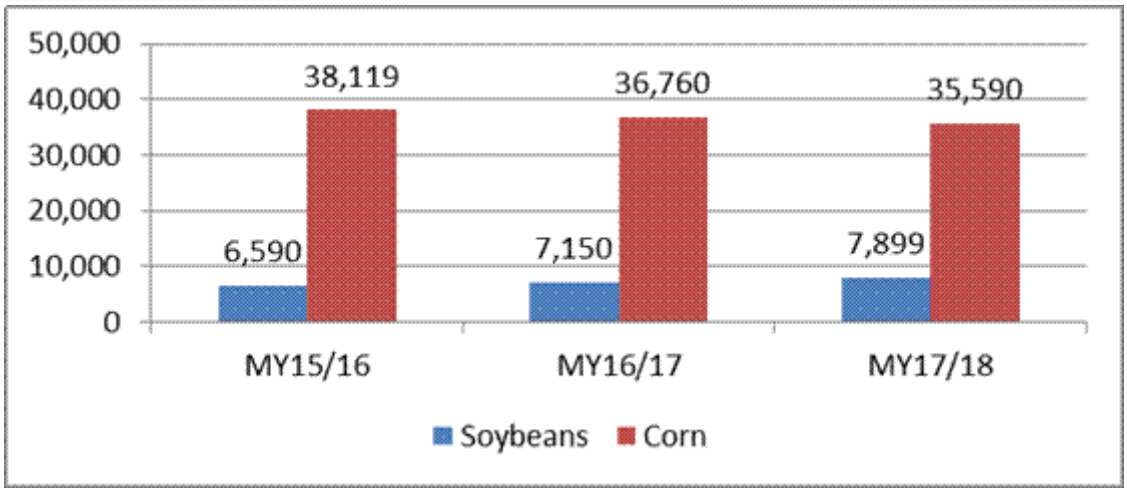
Post's forecast for MY17/18 soybean production is 14.1 MMT, up 1 MMT from MY16/17 on forecast 9.1 percent increase in planted area. This forecast production is slightly higher than the USDA June 2017 official forecast of 13.8 MMT. The forecast recovery in soybean area to 7.8 MHa is mostly due to changes in the government's grain support policy, which lowered corn profits for MY16/17 and encouraged some farmers to add soybean acreage in MY17/18.

As previously reported, since MY15/16, the government prescribed a lower purchase price for corn which lowered corn earnings. Moreover, the government's "target price-based direct subsidy" for soybeans continued in MY16/17 in the four Northeastern Provinces. Soybean farmers in these provinces were compensated based on the difference between the market price and the target price and resulted in relatively stable soybean earnings.

In late March 2017, the Chinese government announced that in MY17/18 the "target price-based direct subsidy" for soybeans will be replaced by a "market-oriented soybeans price plus a direct subsidy to soybean farmers." This policy is similar the government's support program enforced on corn since 2015. Although no detailed subsidy policy has been made public, as of this report, the announcement reassures farmers that they will receive a subsidy for planting soybeans in MY17/18. The government also called for more forage area including silage corn in the Northeast and Northwest regions to ease the

pressure of the government's still high corn stocks. China's Ministry of Agriculture (MOA)'s estimate and forecast for a decline of corn acreage and increase in soybean acreage from MY15/16 to MY17/18 is shown in Chat 1. During MY15/16 to MY17/18, over half of the reduced corn area, averaging 1,255,000 Ha a year, switched to soybeans with yearly area gain of 655,000 Ha.

Chart 1 - Corn and Soybean Area Change Trend (in 1,000 Ha; MY15/16 to MY17/18)



Source: MOA

MOA's June report forecasts MY17/18 soybean area to rise by 10.4 percent to 7.9 MHa, and production to increase by 12.2 percent (or 1.53 MMT) to 14.1 MMT. According to MOA, MY17/18 soybean planted area for Inner Mongolia is expected to grow 12.5 percent from the previous year, soybean area in Heilongjiang and the hilly region of Jilin province is also expected to increase.

China's National Grain and Oilseed Information Center (CNGOIC)'s latest report supports MOA's forecast that planted area will increase by 10.5 percent to 7.9 MHa in MY17/18. Heilongjiang province, the largest soybean-producing province will experience a 17.9 percent growth in acreage to 3.3 MHa in MY17/18, the highest since 2011. CNGOIC forecast for MY17/18 soybean production is 14.3 MMT assuming normal weather conditions in the coming months.

China's Soybean Area and Production by Major Sources (in 1,000 tons; 1,000Ha)

Years	MY15/16		MY16/17		MY17/18	
	Area	Production	Area	Production	Area	Production
MOA	6,590	1,161	7,150	1,257	7,899	1,410
CNGOIC	6,506	1,178	7,150	1,310	7,900	1,430
China JCI		1,051		1,185		1,320

Source: MOA, CNGOIC and ChinaJCI

As of the beginning of June, farmers in the four Northeastern provinces had finished soybean planting. The temperature and moisture conditions during May in most of these four provinces remained generally favorable for soybean planting and growth. However, in early May, high temperatures and shortage of rainfall were reported in part of eastern Inner Mongolia and western

Liaoning but was eased by rainfall in later part of May with some impact on soybean growth. Additionally, soybean growth was slightly delayed in the Nenjiang region in Heilongjiang and Dayangshu in Inner Mongolia as a result of low temperatures during late May.

Post expects MY17/18 soybean planted acreage in other provinces to stay stable or slightly up from the previous year. Soybean planting in these provinces is not entitled to the government price support. However, in general, soybeans enjoy a premium as easy delivery can satisfy the local demand for soybeans for food use at relatively high profits. From MY12/13 to MY16/17, soybean production in these provinces remained stable ranging from 6 to 6.5 MMT per year. Industry sources reported soybean planting in Anhui and Shandong remained stable in MY17/18 given the lack of significant profit advantages among other competing crops. Based on the current soybean growth and weather conditions, Post forecasts for MY17/18 soybean yield will follow the trend in recent years at 1,808Kg/Ha.

Stocks

Based on industry sources, currently, the government's soybean reserves are estimated at about 4.4 MMT. Industry sources expect the government may auction part of these stocks in the latter second half of 2017. Given the government's suspension of direct purchases of domestic oilseeds, and the maintenance of a moderate vegetable oil reserve as a market regulating tool, MY17/18 soybean ending stocks are forecast at 17.5 MMT, slightly up from MY16/17.

Trade

MY17/18 soybean imports are forecast to set a new record at 91.5 MMT from the estimated 88.5 MMT in MY16/17. Record imports are still driven by robust Chinese consumption of soybean products (meal and oil) which cannot be satisfied by the weak growth in domestic soybean production. Since late 2016, adequate global soybean supplies at favorable prices have encouraged Chinese buyers to add more imports. The preliminary estimate for soybean imports in the first three quarters of MY16/17 will reach 67.7 MMT, up 11.8 percent or a net growth of over 7 MMT compared to the same period last year. The rapid increase of soybean imports resulted in high soybeans and soybean meal inventory in crushing plants during the second quarter of 2017. Some crushing plants were forced to suspend operation to ease soybean meal stockpiles. Since February 2017, soybean crushing margins turned negative and this trend is expected to continue in the last months of MY16/17. In June 2017, the Chinese media reported that the government reiterated a ban of imported soybeans for food use implying a lower probability for Chinese oilseed crushers to ease the pressure of their relatively high soybean stockpiles. Post's MY16/17 estimate for soybean imports is 88.5 MMT, a net increase of more than 5 MMT from the MY15/16 level. Post's MY17/18 forecast for soybean imports is up to 91.5 MMT with net increase of 3 MMT from MY16/17.

In MY16/17, China's imports of U.S. soybeans are expected to surge to over 35 MMT from the 28.9 MMT in MY15/16. The U.S. soybean market share is expected to recover to over 39 percent in from the 35 percent in MY15/16.

China's soybean exports, mostly destined for traditional food use, are forecast at 150,000 tons for

MY17/18, up from the MY16/17 estimate but still insignificant to China's total soybean complex.

Changes to Grain Support Policies Continue to Boost Soybean Acreage

In an effort to reduce the large and high-priced corn stocks accumulated during China's minimum price support purchase program, in MY16/17 the government's corn reserve policy in the four Northeastern provinces was replaced by a new mechanism of "market oriented purchases plus a direct subsidy to corn farmer." This change in policy significantly reduced corn profits for MY16/17.

The Chinese government's plan to cut corn acreage by another 10 million mu (or 667,000 Ha) in 2017 appears to have been realized. Substitute crops include soybeans, forage crops including silage corn, potato and other cash crops suitable to local conditions. On June 20, 2017, the Chinese government announced that a three year trial program to rotate corn planting and to leave some land fallow will be implemented in 2017. The government will appropriate RMB2.56 billion ($375 million) in funds to pay to farmers as direct subsidies for the implementation of the program. The program covers 667,000 hectares for growers to rotate between corn and other crops like soybeans and 133,000 hectares to lie fallow in 2017. The funds will go mainly to farmers in the northeast where soybeans have been previously planted.

In MY17/18, the three-year trial program in the four Northeastern provinces of paying a direct subsidy to farmers based on a target price was replaced by a "market-oriented soybean price plus a direct subsidy to soybean farmers." Industry sources report that in MY15/16, the direct subsidy to farmers ranged from RMB1,960 ($311)/Ha in Heilongjiang Province to RMB3,000 ($476)/Ha in Lining Province. A similar value is estimated for the direct subsidy in MY16/17. The MY17/18 policy details have not been announced. However, the direct subsidy amount for soybean farmers is unlikely to fall from the previous year.

Rapeseed

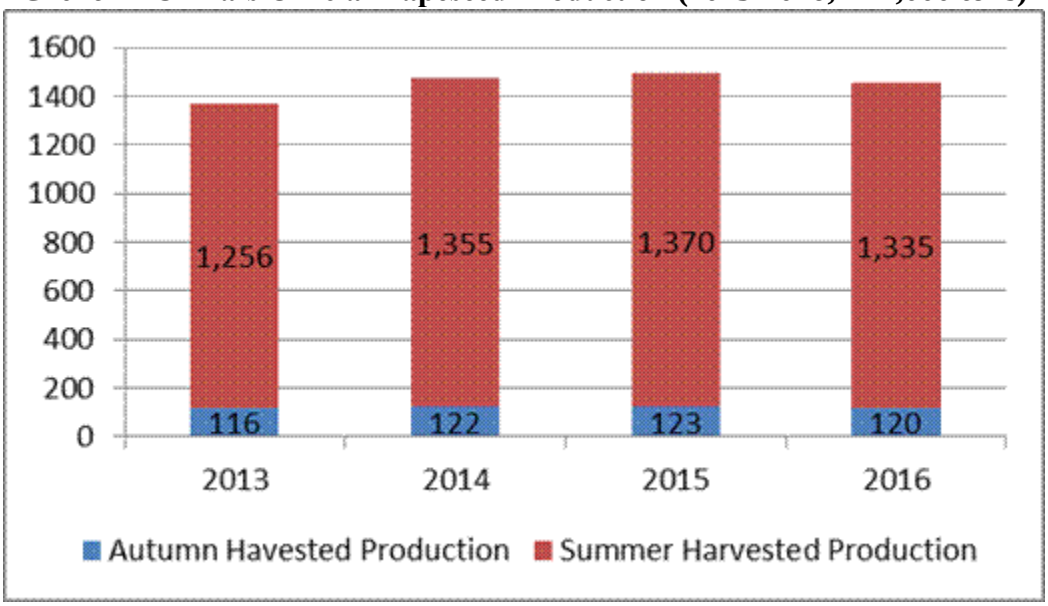
Rapeseed production numbers remain contradictory

Post's forecast for MY17/18 rapeseed production is down to 13.1 MMT. The lower forecast is based on area fall of 3 percent from the previous year in response to lower profits and the abolishment of the government's price support. Farmers completed the harvest of rapeseed (winter crop) at the beginning of June. In its June report, CNGOIC raised its MY17/18 rapeseed production forecast to 13.74 MMT based on a good yield of 1,997 Kg/Ha from the 1,972 Kg/Ha during the previous year. The yield gain is mainly due to favorable weather conditions during the harvest season. Post's estimate for MY16/17 rapeseed production is 13.5 MMT, supporting the USDA June official data, but still lower than the CNGOIC estimate of 14 MMT and the 14.55 MMT released by China's National Statistics Bureau (NSB). Many industry sources still regard the NSB data as over-estimated. MOA' June reports indicated that MY17/18 rapeseed production in Hubei increased by 3.9 percent to 2.51 MMT, rapeseed yield increased in Jiangsu and Anhui but was down in Henan. Conversely, in the northwest provinces the MY17/18 spring rapeseed area is projected to stay generally stable.

The following chart shows NSB production data for the last four years. The production of rapeseed

harvested in the autumn appears to be stable. The summer harvested rapeseed production remains high, however, is not widely recognized by industry sources.

Chart 2 - China's Official Rapeseed Production (2013-2016; in 1,000 tons)



Source: NSB; Note: Autumn harvested production refers to combined rapeseed production by Inner Mongolia, Gansu, Qinghai, Xinjiang, Tibet and Ningxia;
2016 autumn harvested production estimated by FAS/Beijing

Since MY12/13, the gap between the NSB and the industry rapeseed production estimate has increased significantly, with an average annual difference of more than 5 MMT. An independent source continues to estimate an extremely low production of 5.22 MMT for MY16/17 based on firsthand anecdotal information from farmers/crushers and the market. Its forecast production for MY17/18 will further slide to 5.13 MMT. Post believes the production data gap exists but might not be as large as 5 MMT per year. An interesting trend worth noting is that in recent years farmers are increasingly choosing to crush rapeseed for oil for home use (particularly when the market price remains low) and small crushing facilities are producing "strong flavor rapeseed oil" (not refined) to cater to local cuisine. Large crushing plants in provinces such Hubei and Sichuan are increasingly facing a shortage of rapeseed to meet their crushing capacity. These trends further hinder the industry's ability to collect data and develop estimates.

Trade

Rapeseed imports in MY17/18 are forecast to recover to 4.3 MMT from the estimated 4 MMT in MY16/17. Forecast import growth is mostly supported by low domestic production. Rapeseed imports stood at 2.71 MMT during the first eight months of MY16/17, slightly lower compared to the same period in MY15/16. In light of the declining domestic production and the excessive crushing capacity, rapeseed imports are expected to recover moderately in MY17/18 to meet domestic demand for rapeseed products and satisfy the domestic crushing capacity.

Peanuts

Peanut production continues to rise

China's peanut production is forecast to rise to 17.4 MMT in MY17/18, up from the estimated 17 MMT in MY16/17. NSB MY16/17 production stood at 17.29 MMT compared to CNGOIC's higher estimate of 17.7 MMT. CNGOIC 's June report forecast for MY17/18 production continues to rise to 18.1 MMT. Driven by strong domestic demand for peanut products, peanut farming has been the most profitable crop in many peanut-producing provinces (namely Henan, Shandong and Hebei). Based on an industry field survey in early June, MY17/18 peanut area is up slightly in Henan and Anhui Provinces while stable in Shandong and Liaoning Provinces.

Similar to rapeseed, China's industry sources have lower estimates for peanut production than the officially reported data. An independent source made a much lower production estimate of 10.8 MMT for MY16/17 and forecast of 12 MMT for MY17/18. Industry traders speculate that during the past two marketing years, higher domestic peanut prices may be indicative of a lower peanut production than what has been officially reported.

Top Five Peanut Producing Provinces

(Area: 1,000 Ha & Prod: 1,000 tons)

MY	MY15/16		MY16/17		MY17/18	
	Area	Production	Area	Production	Area	Production
Henan	1,075	4,853	1,120	5,020		
Shandong	740	3,194	800	3,520		
Hebei	343	1,274	375	1,380		
Guangdong	366	1,090	370	1,065		
Anhui	191	944	200	960		
Nation	4,616	16,440	4,850	17,700	4,950	**18,100**
Nation Yield Kg/Ha		3,562		3,649		3,656

Note: Data based on CNGOIC

Trade

MY17/18 imports are forecast at 500,000 tons, unchanged from the previous year based on a higher domestic production. Peanut imports reached a record of 541,000 tons in MY15/16 primarily due to more advantageous prices for imported peanuts. Imports of peanuts for food use remain low due to sufficient domestic supplies.

In MY15/16, Chinese imports of peanut oil continued to be high at 113,400 tons from the average 70,000 tons prior to MY14/15. Peanut oil imports are estimated at 100,000 tons for MY16/17, and unchanged in MY17/18 (equivalent to 315,000 tons of in-shell peanuts). Notwithstanding, peanut imports could potentially increase as Chinese crushers prefer to import seeds to crush rather than import peanut oil. In general, the share of imported peanuts remains small compared to China's overall consumption. However, peanut imports could fall significantly if the price gap between domestic and global prices fails to offset the duty and Value Added Tax.

Chinese peanut exports are expected to grow to 580,000 tons in MY 17/18 from the estimated 500,000 tons in MY16/17. Exports totaled 484,000 tons in MY15/16. An increase in production may strengthen exports in search for better profits.

Cottonseed production is up to 9.5 MMT in MY17/18

Cottonseed production in MY17/18 is forecast to increase to 9.5 MMT, up from the estimated 8.9 MMT in the previous year. Based on a May survey by a leading industry source, MY17/18 cotton planting area is expected to increase by 6.8 percent from the previous year. The area expansion is in response to an increase in domestic cotton prices and recovered profits in MY16/17. The survey results show acreage recovery in the Yangtze and the Yellow River regions although the combined production accounts for less than 30 percent of total production. The Xinjiang cotton area is up 5.6 percent partly due to the government's stable target price policy (with the target price at RMB18,600 or $2,735/ton) which guarantees basic earnings for cotton farmers.

Protein Meal Situation and Outlook

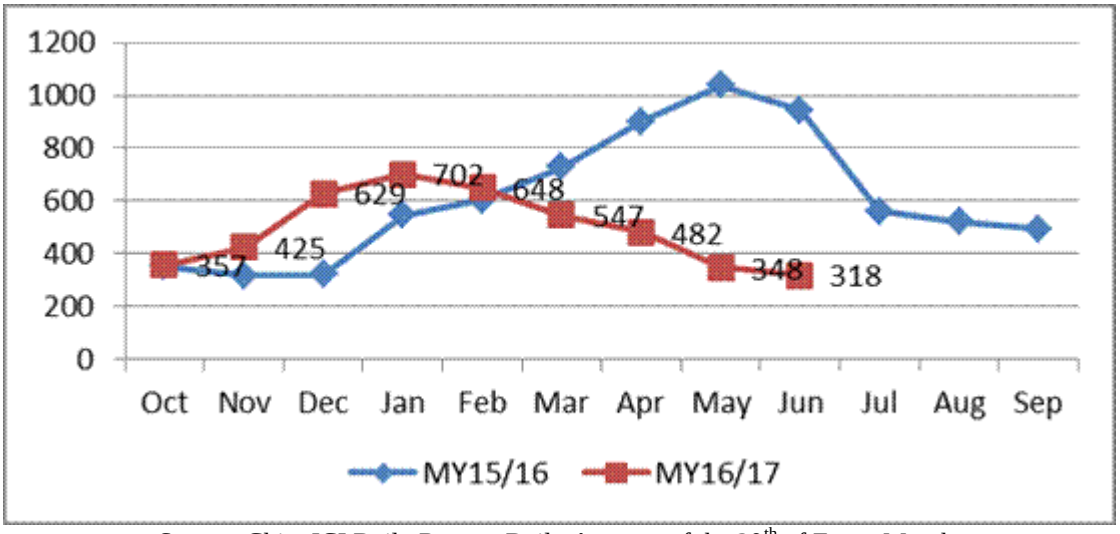
Protein meal consumption continues to be robust

China's demand for protein meal continues to rise in MY17/18 mainly based on a forecast high GDP growth (up 6.7 percent in 2016 and similar in 2017). The rise is also supported by the increase of per capita disposal income boosting demand for more and better quality animal products (see more in GAIN CH17012 China Oilseeds Annual). Soybean meal continues to be the major protein source accounting for 77.6 percent of the forecast total protein feed meal consumption in MY17/18.

Preliminary industry statistics show that China's feed production exceeded 115 MMT during the first five months of 2017, up 6.6 percent from the same period in 2016. The largest feed-producing province, Guangdong, reported a 15.7 percent growth in feed production in the first quarter of 2017 over the previous year. Steady growth and the advancement of the animal production sector (with increases in scale farming) continue to drive China's industrialized feed production.

Since 2013, an outbreak of animal diseases and negative swine profits lowered China's inventory of sows and swine through 2016. The government's strict environmental regulations further contributed to the significant fall in swine/sow inventory in eastern provinces. However, high swine profits since late 2015 stimulated a recovery in swine inventory through the first months of MY16/17. New swine farming capacity is mostly added in the four Northeastern provinces and some inland provinces. Swine profits remained high in first months of MY16/17 but fell to about RMB300 ($45)/head in June 2017. Industry insiders believe swine inventory will continue on a moderate recovery and swine profits are expected to stabilize or lower slightly from the current level during the second half of 2017. Newly funded scale swine farms are increasing their technology and efficiency focusing on animal nutrition and hence are demanding more industrialized feed. Soybean meal inclusion in feed is expected to strengthen along with the growth of industrialized feed production.

Chart 3 - Swine Profit Margins (Oct 2015 to Jun 2017; RMB/Head)



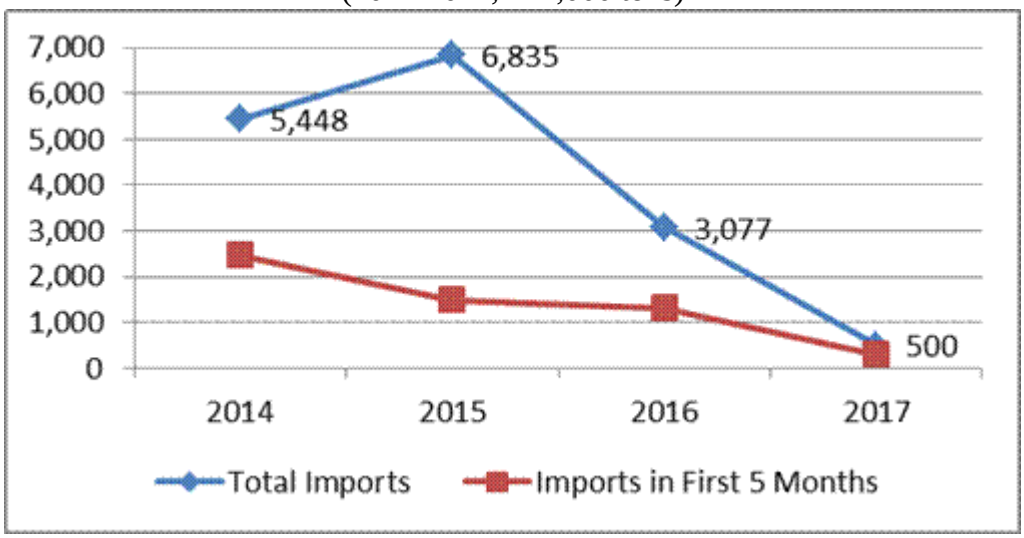
Source: ChinaJCI Daily Report; Daily Average of the 20th of Every Month;
Exchange rate: $1= RMB6.8

In the first four months of 2017, China's aquaculture continued to grow with cultured aquatic products totaling 14 MMT, up by 2.4 percent over the same period in 2016. The profits for aquaculture farms recovered with earnings up by 4 percent over the same period last year mainly due to moderate increases in the price of fishery products. China's aquatic product exports also remained robust during the first four months of 2017. Export value grew by 1.6 percent and volume by 6 percent compared to the same period in the previous year. A lower production of wild caught aquatic in the first 4 months of 2017, down by 0.45 percent from the previous year, is likely to be substituted by more cultured products.

Growth in poultry production remained stable in the first months of 2017. However, the industry experienced consecutive losses due to declining egg and meat prices. The quick expansion of production since late 2016 resulted in supply of poultry products exceeding the demand in the first months of 2017. Additionally frequent outbreaks of diseases impacted poultry meat and egg consumption. Nonetheless, egg prices rebounded in June in response to high temperatures in some South and North poultry-producing provinces. China's overall poultry production is expected to maintain an average growth in 2017.

Protein meal use is partly boosted by fewer imports of distiller's dried grains (DDGS) in 2017 and is expected to continue beyond this year. On January 11, 2017, China's Ministry of Commerce (MOFCOM) announced it is final ruling on anti-dumping (AD) on DDGS from the United States by requiring importers to pay a combined duty and value added tax rate up to 91.26 percent of CNF price effective on January 12, 2017. As a result, China's DDGS imports plummeted to an estimated 500,000 tons in 2017 from the yearly average of over 5 MMT in the last three years. This is equivalent to about 1 MMT less of protein supply which then needs to be substituted by other protein sources like soybean meal. Higher soybean meal consumption is also driven as the supply of other protein meals, in particular rapeseed meal, continues to be less than what is officially reported.

Chart 4 - China's DDGs Imports Expected to Fall Dramatically
(2014-2017; in 1,000 tons)



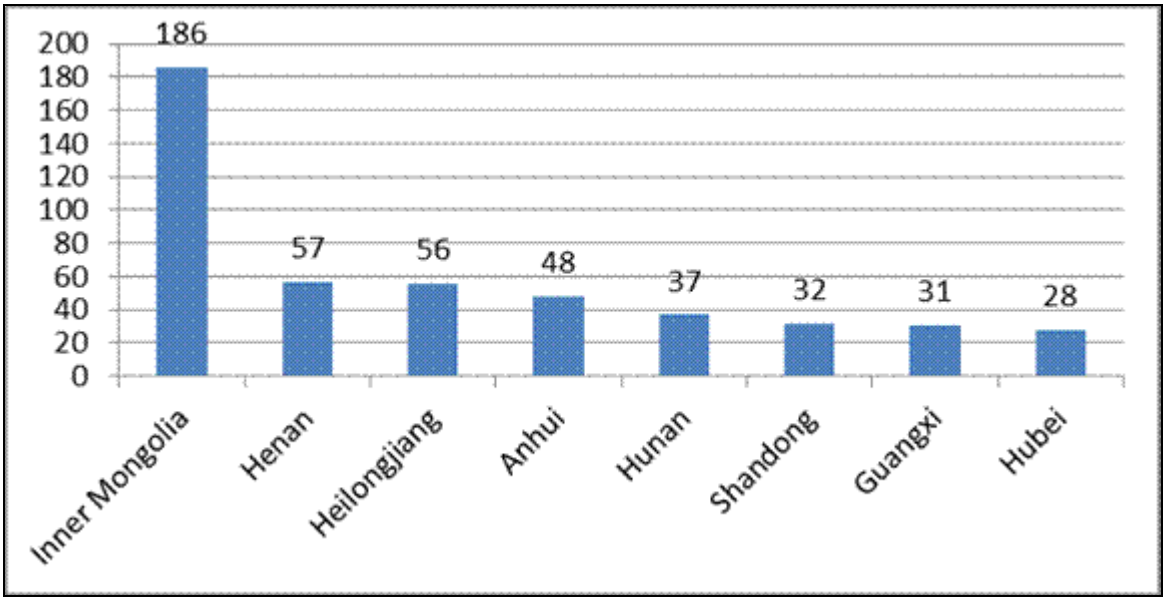
Source: Global Trade Atlas

Feed consumption driven by high investment on swine farming in 2016

Based on industry statistics, total investment in animal farming by agricultural related stock-listed companies surged to RMB49 billion ($7.2 billion) in 2016, ten times that of 2015. Out of the total, 84.5 percent ($6.1 billion) focused on swine farming with 153 newly added swine facilities located in 22 provinces and a small investment in Vietnam. It is estimated that 79 percent of these investments adopted a "company + swine farms/household" model, while 15.6 percent used a "whole production chain" (self-breeding and fattening) model. Industry sources estimated an additional 9 MMT of industry feed is needed if the above swine producing-capacity is in full operation.

The majority of the swine investment (or 83 percent) was done by feed companies while only 16 percent was done by animal farming companies. Industry analysts believe that by engaging in swine farming, the feed companies may enjoy an advantage in expanding their feed market share. Industry source estimated that by the time these facilities are in full operation, an additional 27 million heads of pigs can be slaughtered per year. By region, the new swine investment showed a significant move to the north with 59 percent invested in 5 Northern Provinces (Inner Mongolia, Henan, Heilongjiang, Shandong and Heibei) with Inner Mongolia topping the list receiving an investment of $1.86 billion.

Chart 5 – 2016 China Swine Investment by Stock-Listed Companies
(Top 8 Provinces in Receiving Investment; in $ million)



Source: chinafeed.org.cn

Protein meal trade

Post's forecast for MY17/18 soybean meal exports are stand at 1.8 MMT from the estimated 1.5 MMT in MY16/17. Outside of fish meal, protein meal trade continues to be unstable. Sporadic imports/exports of some protein meals will continue in the foreseeable future. Both feed mills and crushing plants may choose to trade between nearby countries rather than domestic provinces to regulate the regional supply/demand. The difference in market prices, cost effectiveness, and more importantly, ease of transport are factors impacting trade decisions. With the exceptions of soybean meal exports, the total trade volume for other oilseed meals are expected to be insignificant in China's huge protein meal matrix.

Oil Situation and Outlook

China's consumption of vegetable oils is expected to grow in MY17/18 driven by a forecast 6.7 percent growth in 2017 leading to an increase in disposable income and vegetable oil use.
Industry statistics data show that in the first quarter of 2017, China's catering sales value increased by 10.8 percent compared to the previous year. Instant noodle sector using large volumes of palm oil also reported a recovery in production and consumption during the first months of 2017.

In its June report, MOA forecast MY17/18 total vegetable oil consumption at 31.63 MMT, up 170,000 tons over the previous year. CNGOIC's MY17/18 forecast for vegetable oil consumption (as food use) is 33.95 MMT, up 1.35 MMT or 4.1 percent from its MY16/17 estimate of 32.6 MMT. Additionally, CNGOIC's MY17/18 forecast for vegetable oil for industry use (mainly soy oil and palm oil) is 3.83 MMT compared to the 3.73 MMT in MY16/17.

China's vegetable oil production is projected to rise to 27.6 MMT in MY17/18 based on increased use of imported soybeans and rapeseeds for crushing. In MY17/18, soybean oil will continue to be the primary vegetable oil in China, accounting for 58.4 percent of total oil production. In MY17/18,

domestic consumption of oil for food-use is forecast to grow 2 percent to 33 MMT from MY16/17. MY17/18 total oil imports are forecast at 7.4 MMT, slightly up from the 7.35 MMT in the previous year. Palm oil continues to dominate vegetable oil imports and is estimated to be stable at 4.9 MMT in MY16/17 and forecast at 5 MMT in MY17/18.

Total vegetable oil stocks are expected to fall to 3.9 MMT at the end of MY17/18 along with the government's sale of vegetable oil reserves. Based on a CNGOIC report, the government sold 1.88 MMT out of the estimated 6.4 MMT of rapeseed oil reserves from October 2016 to the end of February 2017. As the oil reserves continue to age, there will be pressure for the government to hold auctions likely creating uncertainty in the Chinese vegetable oil market in 2017 and beyond.

Palm Oil

MY17/18 palm oil imports are forecast at 5 MMT, slightly up from the estimated 4.9 MMT in MY16/17. This level is higher than MY15/16 as a result of increased global supplies which may lead to more favorable prices.

As mentioned above, China's food processing industry uses large amounts of palm oil in processed foods, especially instant noodles. Instant noodle production reported moderate recovery after continuous fall in recent 3 years. Industry sources said the instant noodle production and consumption both increased as a result of upgraded product quality which re-attracts consumers in 2017. In the first months of 2017, several large instant noodle brands reported increases in production of high-end products (more balanced in nutrition and value added). Food use of palm oil is increasingly challenged by adequate availability of other vegetable oils at acceptable prices.

Statistics Tables

Oilseeds PSD Tables*

Table 1. Soybeans

PSD Table						
Country	**China, Peoples Republic of**					
Commodity	**Oilseed, Soybean (1000 tons; 1000 Ha)**					
	2015/16		**2016/17**		**2017/18**	
	USDA Official	Post Estimate New	USDA Official	Post Estimate New	USDA Official	Post Estimate New
Market Year Begin		10/2015		10/2016		10/2017
Area Planted	6,600	6,506	7,200	7,150	7,600	7,800
Area Harvested	6,506	6,506	7,200	7,150	7,600	7,800
Beginning Stocks	17,009	17,009	16,910	16,910	17,560	17,090
Production	11,785	11,785	12,900	13,100	13,800	14,100
MY Imports	83,230	83,230	89,000	88,500	93,000	91,500
MY Imp. from U.S.	28,500	28,910	30,000	35,000	30,000	35,000
MY Imp. from EU	0	0	0	0	0	0
Total Supply	112,024	112,024	118,810	118,510	124,360	122,690
MY Exports	114	114	150	120	150	150
MY Exp. to EU	10	10	10	10	10	11
Crush	81,300	81,000	86,500	86,500	91,500	90,000
Food Use Dom. Cons.	10,800	11,100	11,300	11,300	11,700	11,400
Feed Waste Dom. Cons.	2,900	2,900	3,300	3,500	3,600	3,600
Total Dom. Cons.	95,000	95,000	101,100	101,300	106,800	105,000
Ending Stocks	16,910	16,910	17,560	17,090	17,410	17,540
Total Distribution	112,024	112,024	118,810	118,510	124,360	122,690
CY Imports	83,000	83,232	88,000	88,000	92,000	92,000
CY Imp. from U.S.	29,000	33,660	30,000	35,000	30,000	35,000
CY Exports	150	150	150	150	150	130
CY Exp. to U.S.	70	50	70	50	70	45

* PSD Tables reflect USDA's 2017 June official estimates.

Table 2. Rapeseed*

PSD Table						
Country	**China, Peoples Republic of**					
Commodity	**Oilseed, Rapeseed (1000 tons;1000 Ha)**					
	2015/16		**2016/17**		**2017/18**	
	USDA Official	Post Estimate New	USDA Official	Post Estimate New	USDA Official	Post Estimate New
Market Year Begin		10/2015		10/2016		10/2017
Area Planted	0	7,300	0	7,000	0	6,800
Area Harvested	7,534	7,300	7,000	7,000	6,800	6,800
Beginning Stocks	1,499	1,499	1,340	1,109	1,240	1,009
Production	14,931	14,300	13,500	13,500	13,100	13,100
MY Imports	4,011	4,011	3,600	4,000	4,300	4,300
MY Imp. from U.S.	0	0	0	0	0	0
MY Imp. from EU	0	0	0	0	0	0
Total Supply	20,441	19,810	18,440	18,609	18,640	18,409
MY Exports	1	1	0	0	0	0
MY Exp. to EU	0	0	0	0	0	0
Crush	18,500	18,100	16,600	17,000	17,000	17,100
Food Use Dom. Cons.	0	0	0	0	0	0
Feed Waste Dom. Cons.	600	600	600	600	600	600
Total Dom. Cons.	19,100	18,700	17,200	17,600	17,600	17,700
Ending Stocks	1,340	1,109	1,240	1,009	1,040	709
Total Distribution	20,441	19,810	18,440	18,609	18,640	18,409
CY Imports	4,200	3,565	3,600	4,000	4,400	4,400
CY Imp. from U.S.	0	0	0	0	0	0
CY Exports	0	1	0	0	0	0
CY Exp. to U.S.	0	1	0	0	0	0

* PSD Tables reflect USDA's June 2017 official estimates.

Table 3. Peanuts*

PSD Table						
Country	**China, Peoples Republic of**					
Commodity	**Oilseed, Peanut (1000 tons; 1000 Ha)**					
	2015/16		**2016/17**		**2017/18**	
	USDA Official	Post Estimate New	USDA Official	Post Estimate New	USDA Official	Post Estimate New
Market Year Begin		10/2015		10/2016		10/2017
Area Planted	4,600	4,600	4,700	4,750	4,850	4,850
Area Harvested	4,616	4,600	4,750	4,750	4,850	4,850
Beginning Stocks	0	0	0	0	0	0
Production	16,440	16,440	17,000	17,000	17,400	17,400
MY Imports	541	541	570	500	580	500
MY Imp. from U.S.	0	292	0	100	0	100
MY Imp. from EU	0	0	0	0	0	0
Total Supply	16,981	16,981	17,570	17,500	17,980	17,900
MY Exports	484	484	550	500	580	580
MY Exp. to EU	50	50	50	50	50	50
Crush	8,700	8,850	9,150	9,100	9,350	9,300
Food Use Dom. Cons.	6,797	6,647	6,870	6,850	7,050	6,920
Feed Waste Dom. Cons.	1,000	1,000	1,000	1,050	1,000	1,100
Total Dom. Cons.	16,497	16,497	17,020	17,000	17,400	17,320
Ending Stocks	0	0	0	0	0	0
Total Distribution	16,981	16,981	17,570	17,500	17,980	17,900
CY Imports	523	500	580	500	580	520
CY Imp. from U.S.	0	285	0	100	0	100
CY Exports	512	500	530	520	550	550
CY Exp. to U.S.	0	0	0	0	0	0

* PSD Tables reflect USDA's June 2017 official estimates.

Table 4. Cottonseed*

PSD Table						
Country	**China, Peoples Republic of**					
Commodity	**Oilseed, Cottonseed (1000 tons; 1000 Ha)**					
	2015/16		**2016/17**		**2017/18**	
	USDA Official	Post Estimate New	USDA Official	Post Estimate New	USDA Official	Post Estimate New
Market Year Begin		10/2015		10/2016		10/2017
Area Planted (Cotton)	3,700	3,200	3,100	3,000	3,000	3,150
Area Harvested (Cotton)	3,050	3,200	2,850	3,000	3,050	3,150
Seed to Lint Ratio	0	0	0	0	0	0
Beginning Stocks	0	0	0	0	0	0
Production	8,600	9,580	8,800	8,900	9,400	9,500
MY Imports	75	75	120	75	150	80
MY Imp. from U.S.	0	0	0	0	0	0
MY Imp. from EU	0	0	0	0	0	0
Total Supply	8,675	9,655	8,920	8,975	9,550	9,580
MY Exports	0	0	0	0	0	0
MY Exp. to EU	0	0	0	0	0	0
Crush	7,500	8,355	7,600	7,625	8,150	8,230
Food Use Dom. Cons.	0	0	0	0	0	0
Feed Waste Dom. Cons.	1,175	1,300	1,320	1,350	1,400	1,350
Total Dom. Cons.	8,675	9,655	8,920	8,975	9,550	9,580
Ending Stocks	0	0	0	0	0	0
Total Distribution	8,675	9,655	8,920	8,975	9,550	9,580
CY Imports	35	76	100	78	150	80
CY Imp. from U.S.	0	0	0	0	0	0
CY Exports	0	0	0	0	0	0
CY Exp. to U.S.	0	0	0	0	0	0

* PSD Tables reflect USDA's June 2017 official estimates.

Meal PSD Tables

Table 5. Soybean Meal*

PSD Table

Country	China, Peoples Republic of					
Commodity	Meal, Soybean (1000 tons)					
	2015/16		2016/17		2017/18	
	USDA Official	Post Estimate New	USDA Official	Post Estimate New	USDA Official	Post Estimate New
Market Year Begin		10/2015		10/2016		10/2017
Crush	81,300	81,000	86,500	86,500	91,500	90,000
Extr. Rate, 999.9999	0.792	0.792	0.792	0.792	0.792	0.792
Beginning Stocks	0	0	0	0	0	0
Production	64,390	64,152	68,508	68,508	72,468	71,280
MY Imports	24	22	45	20	30	21
MY Imp. from U.S.	0	0	0	0	0	0
MY Imp. from EU	0	0	0	0	0	0
Total Supply	64,414	64,174	68,553	68,528	72,498	71,301
MY Exports	1,909	1,889	1,550	1,500	1,500	1,800
MY Exp. to EU	30	190	30	180	30	180
Industrial Dom. Cons.	1,000	1,000	1,050	1,050	1,100	1,100
Food Use Dom. Cons.	0	0	0	0	0	0
Feed Waste Dom. Cons.	61,505	61,285	65,953	65,978	69,898	68,401
Total Dom. Cons.	62,505	62,285	67,003	67,028	70,998	69,501
Ending Stocks	0	0	0	0	0	0
Total Distribution	64,414	64,174	68,553	68,528	72,498	71,301
CY Imports	30	18	30	21	30	20
CY Imp. from U.S.	0	0	0	0	0	0
CY Exports	1,850	1,876	1,550	1,600	1,500	1,800
CY Exp. to U.S.	20	80	0	50	0	50

* PSD Tables reflect USDA's June 2017 official estimates.

Table 6. Rapeseed Meal*

PSD Table						
Country	China, Peoples Republic of					
Commodity	Meal, Rapeseed (1000 tons)					
	2015/16		2016/17		2017/18	
	USDA	Post	USDA	Post	USDA	Post

	Official	Estimate	Official	Estimate New	Official	Estimate New
Market Year Begin		10/2015		10/2016		10/2017
Crush	18,500	18,100	16,600	17,000	17,000	17,100
Extr. Rate, 999.9999	0.595	0.595	0.595	0.595	0.595	0.595
Beginning Stocks	0	0	0	0	0	0
Production	11,009	10,770	9,879	10,115	10,117	10,170
MY Imports	359	359	500	600	530	500
MY Imp. from U.S.	0	0	0	0	0	0
MY Imp. from EU	0	0	0	0	0	0
Total Supply	11,368	11,129	10,379	10,715	10,647	10,670
MY Exports	114	114	30	50	50	60
MY Exp. to EU	0	4	0	0	0	0
Industrial Dom. Cons.	450	450	450	450	450	450
Food Use Dom. Cons.	0	0	0	0	0	0
Feed Waste Dom. Cons.	10,804	10,565	9,899	10,215	10,147	10,160
Total Dom. Cons.	11,254	11,015	10,349	10,665	10,597	10,610
Ending Stocks	0	0	0	0	0	0
Total Distribution	11,368	11,129	10,379	10,715	10,647	10,670
CY Imports	504	504	450	500	450	500
CY Imp. from U.S.	0	0	0	0	0	0
CY Exports	107	107	50	50	60	55
CY Exp. to U.S.	0	4	0	0	0	0

* PSD Tables reflect USDA's June 2017 official estimates.

Oils PSD Tables

Table 7. Soybean Oil*

PSD Table						
Country	**China, Peoples Republic of**					
Commodity	**Oil, Soybean (1000 tons)**					
	2015/16		**2016/17**		**2017/18**	
	USDA Official	Post Estimate New	USDA Official	Post Estimate New	USDA Official	Post Estimate New
Market Year Begin		10/2015		10/2016		10/2017

Crush	81,300	81,000	86,500	86,500	91,500	90,000
Extr. Rate, 999.9999	0.179	0.179	0.179	0.179	0.1792	0.179
Beginning Stocks	778	778	537	533	548	823
Production	14,569	14,515	15,501	15,500	16,397	16,110
MY Imports	586	586	620	550	550	500
MY Imp. from U.S.	100	20	100	190	100	100
MY Imp. from EU	0	0	0	0	0	0
Total Supply	15,933	15,879	16,658	16,583	17,495	17,433
MY Exports	96	96	110	110	100	150
MY Exp. to EU	0	0	0	0	0	0
Industrial Dom. Cons.	0	0	0	0	0	0
Food Use Dom. Cons.	15,300	15,250	16,000	15,650	16,850	16,100
Feed Waste Dom. Cons.	0	0	0	0	0	0
Total Dom. Cons.	15,300	15,250	16,000	15,650	16,850	16,100
Ending Stocks	537	533	548	823	545	1,183
Total Distribution	15,933	15,879	16,658	16,583	17,495	17,433
CY Imports	700	560	600	500	500	500
CY Imp. from U.S.	100	110	100	180	100	100
CY Exports	110	100	110	100	110	100
CY Exp. to U.S.	0	0	0	0	0	0

* PSD Tables reflect USDA's June 2017 official estimates.

Table 8. Rapeseed Oil*

PSD Table						
Country	**China, Peoples Republic of**					
Commodity	**Oil, Rapeseed (1000 tons)**					
	2015/16		**2016/17**		**2017/18**	
	USDA Official	Post Estimate New	USDA Official	Post Estimate New	USDA Official	Post Estimate New
Market Year Begin		10/2015		10/2016		10/2017
Crush	18,500	18,100	16,600	17,000	17,000	17,100
Extr. Rate, 999.9999	0.3923	0.39	0.3923	0.3923	0.3923	0.3923
Beginning Stocks	4,164	4,164	3,837	4,178	2,739	3,292
Production	7,258	7,059	6,512	6,669	6,669	6,708
MY Imports	768	768	700	700	750	680

MY Imp. from U.S.	0	0	0	0	0	0
MY Imp. from EU	0	40	0	50	0	50
Total Supply	12,190	11,991	11,049	11,547	10,158	10,680
MY Exports	3	3	10	5	5	5
MY Exp. to EU	0	0	0	0	0	0
Industrial Dom. Cons.	0	0	0	0	0	0
Food Use Dom. Cons.	8,350	7,810	8,300	8,250	8,250	8,200
Feed Waste Dom. Cons.	0	0	0	0	0	0
Total Dom. Cons.	8,350	7,810	8,300	8,250	8,250	8,200
Ending Stocks	3,837	4,178	2,739	3,292	1,903	2,475
Total Distribution	12,190	11,991	11,049	11,547	10,158	10,680
CY Imports	700	700	720	700	720	700
CY Imp. from U.S.	0	0	0	0	0	0
CY Exports	5	5	5	5	5	4
CY Exp. to U.S.	0	0	0	0	0	0

* PSD Tables reflect USDA's June 2017 official estimates.

Table 9. Peanut Oil*

PSD Table						
Country	**China, Peoples Republic of**					
Commodity	**Oil, Peanut (1000 tons)**					
	2015/16		**2016/17**		**2017/18**	
	USDA Official	Post Estimate New	USDA Official	Post Estimate New	USDA Official	Post Estimate New
Market Year Begin		10/2015		10/2016		10/2017
Crush	8,700	8,850	9,150	9,100	9,350	9,300
Extr. Rate, 999.9999	0.3200	0.3200	0.3200	0.3200	0.3200	0.3200
Beginning Stocks	0	0	0	0	0	0
Production	2,784	2,832	2,928	2,912	2,992	2,976
MY Imports	113	113	130	100	130	100
MY Imp. from U.S.	0	0	0	0	0	0
MY Imp. from EU	0	0	0	0	0	0
Total Supply	2,897	2,945	3,058	3,012	3,122	3,076

MY Exports	10	10	6	6	5	9
MY Exp. to EU	0	0	0	0	0	0
Industrial Dom. Cons.	0	0	0	0	0	0
Food Use Dom. Cons.	2,887	2,935	3,052	3,006	3,117	3,067
Feed Waste Dom. Cons.	0	0	0	0	0	0
Total Dom. Cons.	2,887	2,935	3,052	3,006	3,117	3,067
Ending Stocks	0	0	0	0	0	0
Total Distribution	2,897	2,945	3,058	3,012	3,122	3,076
CY Imports	120	107	130	110	130	110
CY Imp. from U.S.	0	0	0	0	0	0
CY Exports	7	9	6	8	5	9
CY Exp. to U.S.	0	0	0	0	0	0

* PSD Tables reflect USDA's June 2017 official estimates.

Table 10. Sunflower Seed Oil*

PSD Table						
Country	**China, Peoples Republic of**					
Commodity	**Oil, Sunflower Seed (1000 tons)**					
	2015/16		**2016/17**		**2017/18**	
	USDA Official	Post Estimate New	USDA Official	Post Estimate New	USDA Official	Post Estimate New
Market Year Begin		10/2015		10/2016		10/2017
Crush	1,400	1,400	1,600	1,569	1,650	1,650
Extr. Rate, 999.9999	0.3586	0.3586	0.3588	0.3582	0.3588	0.3582
Beginning Stocks	0	0	0	0	0	0
Production	502	502	574	562	592	591
MY Imports	878	878	930	880	970	900
MY Imp. from U.S.	0	0	0	0	0	0
MY Imp. from EU	0	1	0	1	0	0
Total Supply	1,380	1,380	1,504	1,442	1,562	1,491
MY Exports	1	0	0	2	0	0
MY Exp. to EU	0	0	0	0	0	0
Industrial Dom. Cons.	0	0	0	0	0	0

Food Use Dom. Cons.	1,379	1,380	1,504	1,440	1,562	1,491
Feed Waste Dom. Cons.	0	0	0	0	0	0
Total Dom. Cons.	1,379	1,380	1,504	1,440	1,562	1,491
Ending Stocks	0	0	0	0	0	0
Total Distribution	1,380	1,380	1,504	1,442	1,562	1,491
CY Imports	850	957	920	880	960	900
CY Imp. from U.S.	0	0	0	0	0	0
CY Exports	0	1	0	2	0	0
CY Exp. to U.S.	0	0	0	0	0	0

* PSD Tables reflect USDA's June 2017 official estimates.

Table 11. Palm Oil*

PSD Table						
Country	**China, Peoples Republic of**					
Commodity	**Oil, Palm (1000 tons)**					
	2015/16		**2016/17**		**2017/18**	
	USDA Official	Post Estimate New	USDA Official	Post Estimate New	USDA Official	Post Estimate New
Market Year Begin		10/2015		10/2016		10/2017
Area Planted	0	0	0	0	0	0
Area Harvested	0	0	0	0	0	0
Trees	0	0	0	0	0	0
Beginning Stocks	305	305	159	189	209	187
Production	0	0	0	0	0	0
MY Imports	4,689	4,689	5,000	4,900	4,950	5,000
MY Imp. from U.S.	0	0	0	0	0	0
MY Imp. from EU	0	0	0	0	0	0
Total Supply	4,994	4,994	5,159	5,089	5,159	5,187
MY Exports	5	5	0	2	0	0
MY Exp. to EU	0	0	0	0	0	0
Industrial Dom. Cons.	2,050	2,050	2,100	2,100	2,100	2,150
Food Use Dom. Cons.	2,780	2,750	2,850	2,800	2,850	2,800
Feed Waste Dom. Cons.	0	0	0	0	0	0

Total Dom. Cons.	4,830	4,800	4,950	4,900	4,950	4,950
Ending Stocks	159	189	209	187	209	237
Total Distribution	4,994	4,994	5,159	5,089	5,159	5,187
CY Imports	4,479	4,479	5,000	5,000	4,900	5,000
CY Imp. from U.S.	0	0	0	0	0	0
CY Exports	7	7	0	2	0	3
CY Exp. to U.S.	0	0	0	0	0	0

* PSD Tables reflect USDA's June 2017 official estimates.